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CRITERIA FOR SELECTING INTER-SUBREGIONAL PROJECTS AIMED AT STRENGTHENING ECONOMIC INTEGRATION IN AFRICA

INTRODUCTION

A. The concept of subregion

1. Within the African continent itself, referred to as region in United Nations parlance, a subregion is defined as a legal entity superimposed on a given geographical area, for example Central Africa, East Africa, West Africa and North Africa.

2. The legal nature of a given subregion derives from the fact that several countries are inter-linked by a legal instrument such as a treaty or a convention. Hence, several global economic entities (community) or sectoral bodies (commission) may co-exist within the same subregion.

3. Thus, in Eastern and Southern Africa, PTA, SADCC and IGADD co-exist; in Central Africa, it is ECCAS, UDEAC and CEPGL; in West Africa, ECOWAS, CEAO, MRU, the Council of the Entente, the Liptako-Gourma Authority, the Organization for the Development of the River Senegal (OMVS), the Niger Basin Authority (NBA) and many other subregional sectoral or technical bodies.

4. Certain countries also belong to various subregional bodies, for example, Burundi and Rwanda, which are members of both PTA and ECCAS. Also, two countries (Cameroon and Chad) of the Lake Chad Basin Commission (CBLT) are members of ECCAS while the two others (the Niger and Nigeria) are members of ECOWAS.

B. The search for a definition

5. This is the reason why in CBLT, all projects of the Commission are, ipso facto, inter-subregional, whereas in the case of Burundi and Rwanda, the superimposition of two other subregional bodies such as CEPGL, whose third member country, Zaire, is a member of ECCAS and the Kagera Basin Organization (KBO) whose two other members, Uganda and the United Republic of Tanzania, are members of PTA.

6. Thus, a project involving Burundi and Rwanda may come under the following: a Burundi-Rwanda bilateral project; a CEPGL project; a KBO project; an ECCAS project; a PTA project.

7. Each of the economic integration bodies is also known to have defined its objectives and adopted its own approach towards attaining them. Such an approach involves a programme made up of projects.

8. Apart from the purely national projects, there are also regional projects involving the whole continent. These are truly inter-subregional projects.

9. There are also subregional projects which involve specific subregions.

10. Given the above facts on the subregional concept, the complexity of an inter-subregional project can be seen through the example given above concerning Burundi and Rwanda.

11. An initial theoretical approach would be to define an inter-subregional project as an intersection between regional and subregional projects.

12. This definition may seem satisfactory intellectually, but the concept of intersection is, first of all, geographical and then applicable to various areas of common interest to two or more subregions. Yet each project should be translatable into a concrete and executable form. Furthermore, a project is generally expected to bring changes to the current situation.

13. Another more commonly used approach is to define a project - whatever it may be - using a set of criteria; this is known as the normative approach. This approach certainly meets, more appropriately, the practical requirements of a project, namely the possibility of being evaluated from the physical and financial

points of view. This calls for a more detailed analysis of the specific characteristics of each category of project.

14. In this respect, it is necessary to make a quick review of the criteria used in the preparation of two regional programmes, namely the Industrial Development Decade for Africa and the Transport and Communications Decade in Africa, as well as some other regional and subregional experiences. Without doubt, the opposition of these two types of experiences will enable us to draw some conclusions before attempting to establish a set of criteria to serve as a guide for identification and choice of inter-subregional projects.

I. ANALYSIS OF SOME CURRENT EXPERIENCES

15. This part will review, one after the other, two regional programmes and the experiences of regional and subregional institutions in the establishment of criteria for selecting projects.

A. Regional programmes

1. The Industrial Development Decade for Africa

(a) The Decade objectives

16. The programme for the Industrial Development Decade for Africa, 1980-1990, was jointly prepared by Economic Commission for Africa (ECA), the Organization of African Unity (OAU) and the United Nations Industrial Development Organization (UNIDO), and was adopted by the highest authorities of the OAU as well as the United Nations General Assembly.

17. The major aim of the programme is to assist African States to attain the objectives of the Lagos Plan of Action through a speedy industrialization, given the fact that industry is considered to be the driving force for growth and general development.

18. In fact, the programme constitutes a frame of reference for assisting member States and intergovernmental organizations (IGOs) to draw up their respective, but complementary, industrialization programmes.

19. The proposed approach lays emphasis on pilot industries and strategies based on the availability of raw materials and other resources in each country/subregion, and on a multinational approach for the development of industries thus identified.

20. This strategy should lead to the emergence of an interconnected production system comprising mutually supportive industries that are capable of producing a decisive impact on the other related sectors in the course of their development.

(b) Criteria for selecting the Decade projects

21. The established criteria for selecting the projects of the Industrial Development Decade for Africa, 1980 to 1990 are:

(a) Basic criteria

(i) contribution to the achievement of food self-sufficiency by the peoples of the subregion and region;

(ii) supply of inputs for the selected priority sectors in the Lagos Plan of Action, namely food, transport and communications and energy;

(iii) encouragement of an effective integration and links with other industrial and economic activities as well as infrastructure;

(iv) using and improving to a maximum such African human and natural resources as raw materials and energy in order to enable the subregion, other African countries and non-African countries to benefit from them;

(v) production of intermediate goods for use in processing and manufacturing in a growing number of established or planned industries, or of project goods, particularly those used in the production and processing of food commodities and those used in the construction, textiles, energy, transport and extraction industries;

(vi) meeting, first and foremost, directly or indirectly, the basic needs of the peoples of the subregion and, where necessary, of other African countries;

(vii) using: economies of scale, a complex technique, or improving the existing technique, substantial investments, and one or two markets outside the individual countries of the subregion;

(viii) offering a framework for cooperation, particularly among African countries, in such areas as long-term supply/purchase of raw materials and intermediate and finished goods, as well as subcontracting, barter and joint-ventures;

(ix) contribution to reduction of the effects of landlockedness and, generally, dependence on the outside world.;

(b) Additional criteria

(i) offering one or several relative advantages on one or several similar existing or planned projects in other African or non-African groups of countries, particularly with regard to raw materials, energy and the necessary infrastructure;

(ii) completing related project(s), where there are production units in the subregion;

(iii) attracting foreign exchange through export of their products and improvement of their raw materials;

(iv) working towards the readaptation and streamlining of the existing production units;

(v) replacing, when necessary, synthetic materials by natural materials, particularly renewable ones.

(c) Approved projects and their execution

22. Through these criteria, 84 priority projects and 38 support projects were selected in the pilot and strategic industrial subsectors approved under the Decade programme, namely the agro-industry, the mechanical and chemical industries, the construction materials industry and metallurgy.

23. The distribution of these projects by subsector is as follows:

Subsector	Eastern and Southern Africa	Central Africa	West Africa
Agro-industry	-	7	7
Mechanical industry	5	3	14
Chemical industry	5	9	9
Construction materials	5	4	4
Metallurgy	3	3	6
Sub-total	18	26	40
Support project	9	9	20
Total	27	35	60

24. The support sectors are agriculture, energy and transport and communications. The other support projects are for human resources development, financial resources mobilization, techniques transfer and adaptation and strengthening of such institutions as the IGOs.

25. An evaluation of the Decade carried out in 1988-1989 showed the level of execution of the projects to be very low.

26. In fact, out of a total of 84 priority projects, only five could be executed and often as national projects. This represents about 6 per cent of the rate of execution, as shown in the table below:

	Eastern and Southern Africa	Central Africa	West Africa
Executed project	2	2	1
Projects under execution	4	10	3
Projects under study	6	13	34
Withdrawn/suspended projects	6	1	2
Total	18	26	40

27. The support projects had a better rate of execution. For example, three out of the nine support projects in Eastern and Southern Africa were executed.

(d) Conclusions

28. The mid-term evaluation of the Decade does not, in any way, question the criteria used in selecting the priority projects. In contrast, these same criteria are considered relevant, since they have been approved for selection of projects under the revised programme of the second Decade.

29. The evaluation identifies other factors which have negatively affected execution of the projects. Some of the major factors are given below:

(a) The planning scope used favours short- and medium-term considerations to the detriment of longer-term considerations;

(b) Absence of a clearly defined industrialization policy;

(c) Ineffectiveness of the project-by-project approach adopted for the mobilization of financial resources;

(d) Weakness or lack of national and subregional coordination mechanisms;

(e) Lack of involvement of the private sector: promoters, chambers of commerce and financial institutions.

30. All these have led to the proposed strategy for a speedy implementation of the Decade programme being simply to remove obstacles at the national and subregional levels alike.

2. United Nations Transport and Communications Decade in Africa (1978-1988)

(a) Objectives

31. The United Nations Transport and Communications Decade in Africa (1978-1988) was proclaimed by the African Ministers of Transport, Communications and Planning and the United Nations General Assembly in 1978.

32. The Decade strategy aimed at the setting-up of an integrated transport and communications network throughout the African continent, placing particular emphasis on harmonization, coordination and modernization of this network aimed at sustaining the development of the major industrial sectors, agriculture and trade.

33. The overall objectives of the Decade, 11 in number, are outlined below:

1. Promote the integration of transport and communications infrastructure with a view to increasing intra-African trade;

2. Ensure the coordination of the various transport systems in order to increase their efficiency;

3. Open up land-locked countries and isolated regions;

4. Harmonize national regulations and reduce to the bare minimum physical and non-physical barriers with a view to facilitating the movement of persons and goods;

5. Stimulate the use of local human and material resources;

6. Standardize networks and equipment;

7. Research and disseminate techniques appropriate to the African context in relation to the establishment of transport and communications infrastructure;

8. Promote African industry particularly the manufacture of transport and communications equipment;

9. Mobilize technical and financial resources required for the expansion and modernization of transport and communications infrastructure in Africa;

10. Restructure the transport and communications sectors to ensure that African trade with the rest of the world takes place under conditions most favourable for the continent; and

11. Define subregional and regional development policies and master plans for each transport mode, as well as a global master plan integrating all the transport modes and harmonize national transport and communications policies and plans at subregional and regional levels.

(b) Criteria for selecting the Decade projects

34. The projects of the first Decade were choosen through the above-mentioned objectives, using the following order of priorities: regional projects; subregional projects; national projects with subregional impact; and purely national projects.

35. During the drawing up of the second phase in 1984, other considerations were added concerning, in particular: maintenance and rehabilitation projects; training and technical assistance projects; and inter-State links projects.

36. These criteria were used for all transport modes: roads, railways, maritime transport, ports, air transport, inland water transport, multimodal transport as well as communications, including telecommunications, broadcasting and postal services.

37. With the criteria given above, 1,091 and 1,048 projects were approved during the first and second phases, respectively.

(c) Execution of the approved projects

38. According to an evaluation made by a group of independent consultants, of the 1,091 projects, 300 projects had been executed by the end of the first phase (1978-1983), representing about 27 per cent rate of execution. During the second phase (1984-1987), 164 projects had been completed out a total of the 1,048 projects approved at the beginning of the second phase, representing a 15 per cent rate of execution.

39. The evaluation also covered the level of mobilization of financial resources for the objectives. The result was concentration of efforts on three out of 11 objectives of the Decade which are summarized in the table below:

Objective	Total financing received	Percentage of financing received from African States	Percentage of external financing received
Objective 1	37	50	50
Objective 9	37	48	52
Objective 3	14	32	68
Others	12	n.a.	n.a.

40. It should, however, be recalled that objective 1 concerns promotion of the integration of infrastructure, objective 3 opening up of land-locked countries and objective 9 mobilization of internal and external resources. Finally, there were some deficiencies in the evaluation with regard to the design, planning and execution of the first Transport and Communications Decade programme, namely:

(a) Lack of consistency in the criteria for project selection, resulteding in the inclusion, especially during the first phase, of a disproportionate number of national projects in relation to regional and subregional projects;

(b) An overall strategy covering a list of projects, but having neither a true plan of action nor a coherent programme reflecting the expected results;

(c) A low level of coordination and harmonization of activities of the various organizations involved;

(d) Lack of a clear definition of measurable development indicators.

41. To make up for these inadequacies, stricter criteria were established for selecting projects under the second Decade (1991-2000). To be approved, projects must, thereafter meet the following conditions:

(a) Make for the successful execution of one or several objectives of the second Decade programme;

(b) Be included in the national development plans or the priority programmes, with the highest priority given to regional and subregional projects, followed by national projects having a subregional or regional impact;

(c) For the infrastructural projects, they should be socially, economically and technically feasible and yield other tangible benefits, while being compatible with the environmental programmes;

(d) There should be a sufficient and appropriate institutional capacity for the execution of the projects;

(e) The ordinary expenditures as well as the local components of the capital expenditures should be clearly evaluated and their financing adequately provided for.

42. The regional and subregional projects should, in addition, be included in the work programme of an intergovernmental organization, a specialized agency of the United Nations or a similar organization. The countries concerned should have participated in their preparation and expressed their commitment to the execution of the projects. Furthermore, the project should involve more than one country and promote subregional cooperation and integration.

43. In addition to this, the second Decade programme is no longer limited to the determination of objectives; but for each approved objective, the programme indicates the types of projects that could meet this objective, as well as the corresponding activities. For example, objective 10 is on the establishment and strengthening of interregional links. In order to attain this objective it is necessary to approve projects on:

(a) All transport and communications policy and law harmonization actions;

(b) All subregional and regional coordination and cooperation actions for the management of national transport companies of the same subsectors;

(c) All studies, promotional activities and other activities aimed at establishing transport and communications companies for communities.

44. Finally, mechanisms for project submission and report verification were set up at the national, subregional and regional levels.

(d) Conclusions

45. The preparation of the second Decade programme mainly dwelt on ensuring that the projects that would be approved under the programme had the greatest chance of succeeding. Consequently, particular emphasis was laid on regional and subregional coordination and harmonization directly involving the institutions concerned, the setting up of project submission and follow-up mechanisms at all levels as well as adequate financing, taking into account recurrent expenditures.

B. Regional and subregional institutions

46. As mentioned earlier in this document, each geographical subregion contains a rather high number of global integration or purely sectoral organizations. Africa as a whole has about 200 of such organizations, with the largest number in West Africa.

47. It would be difficult to compile a list of the types of these organizations and to examine their project evaluation criteria in this document. Common to these organizations is financial difficulty caused by member States not paying their contributions regularly.

48. Some of these organizations, especially the technical ones, have become specialized institutions of global integration organizations and subregional economic communities. Other regional organizations which are also technical are ECA- and OAU-sponsored institutions.

49. In this document, a quick review will be made of ECA-sponsored institutions, on the one hand, and the integration organizations, on the other, given their experience and their close working links with ECA.

1. ECA-sponsored institutions

50. The ECA-sponsored institutions, about 20 in number, are divided into the following five subgroups: financial and banking services: 3; land resources development: 5; industrial development: 5; development planning and management: 4; and trade and transport: 5.

51. The major objective of these institutions is to provide, each one in its field of operations, high quality services to member States in order to strengthen Africa's technical, technological and management capacities, thus contributing to its collective self-sufficiency.

52. Within a group and each subgroup, cooperation is based on complementarity, without much formality. In order to promote this cooperation, the Conference of ECA-sponsored institutions was established more than 10 years ago.

53. Initially, a liaison bulletin whose objective was to review the activities of these institutions was launched with ECA support in order to promote exchange of experiences. With time, emphasis was laid on the possibility of jointly carrying out certain activities, especially within the same subgroup. However, the major and general constraint has remained financing.

54. Thus, during the eleventh meeting of the Conference, held in April 1991, the authorities of these institutions decided to set up an ad hoc committee to be responsible for maintaining contacts with ADB. The committee was mandated to carry out the activities outlined below:

(a) To discuss with ADB ways and means of strengthening cooperation between the Bank and the institutions with a view to increasing its role in the establishment of an African institutional capacity;

(b) To discuss with ADB the modalities for using the services of these institutions.

55. Many institutions devote themselves to training and consultation activities. Their ultimate aim is to create credibility with the member States so as to make them request their services. This would partly resolve their common problem of insufficiency of resources to meet their needs.

56. The ECA-sponsored institutions have yet to develop their own cooperation project selection criteria among themselves, but it is possible that this will be done in the near future.

2. Integration organizations

57. Limiting oneself to non-sectoral global integration organizations that are of major importance to the African continent, given the recent establishment of the African Economic Community, the following groupings may be briefly mentioned: in Eastern and Southern Africa, PTA and SADCC; in Central Africa, ECCAS, CEPGL and UDEAC; in West Africa, ECOWAS, CEAO, UMOA and the Mano River Union; and in North Africa the Maghreb Union.

58. Each of these organizations, it should be noted, has a work programme consisting of projects, but not all these organizations have to date prepared detailed project selection criteria for various reasons.

59. First of all, many of them have started adopting a trade liberalization programme comprising, inter alia:

(a) The adoption of a list of original tradeable products within the community and a preferential tariff for such products;

(b) The adoption of a timetable for the setting-up of liberalization mechanisms, as the establishment of a preferential tariff is considered a first step towards the creation of a subregional customs union.

60. Then, at a given moment of their existence they have requested and benefitted from international technical assistance. Under these circumstances, the projects contained in the work programmes often respond more to the criteria fixed by the donors than to those developed by the organizations themselves.

61. For example, the criteria for multisectoral assistance projects for ECCAS, ECOWAS and UDEAC are developed by UNDP in consultation with ECA and serve as a basis for selecting projects contained in these programmes, given the fact that these projects take account of all the priorities established by the decision-making bodies of these organizations.

62. However, with time, a number of these organizations have managed to develop their own project selection criteria. On examination, these criteria have been seen to be very similar. This is, without doubt, attributable to the borrowings by all from the providers of technical assistance who, in turn, draw on the same source for the technical criteria.

63. Differences in approach specifically arise. Thus, a review of the various approaches easily distinguished two symmetrical approaches: the project-by-project approach and the programme-by-programme approach; the others are a combination of approaches between these two extremes. To illustrate this, the two approaches are examined below.

A. Project-by-project approach

64. The supporters of this approach think that integration should be based on concrete achievements, and the project is exactly based on this assumption. The advantage is that it has, right from the start, avoided setting up a large bureaucracy. Furthermore, it is based on an equitable distribution of responsibilities, for

the execution of the projects, among the member States themselves and with the subregional coordination structure.

65. After defining the global objective, one of the subregional organizations supporting this approach considered it indispensable to establish, for each approved priority sector, specific criteria to meet the global objectives and specific needs of the sector concerned. The global objectives are as follows:

(a) To establish the foundation for a true and equitable integration;

(b) To cooperate in the mobilization of resources for the implementation of national, inter-State and subregional policies.

66. The selection criteria comprise genuine criteria as well as procedures for formulation and approval of community procedures.

(a) Project selection criteria

67. For a project to be approved as a subregional project, it must satisfy the following questions:

(a) What is the relationship between the project and the general subregional objective? In particular, how will the project contribute to reducing dependence or to strengthening subregional self-sufficiency in the specific sector?

(b) Was the project conceived to meet the felt needs of the people or is it simply a good idea coming from a stranger? Has it been discussed directly with the countries concerned before being presented to a subregional meeting? Is there enough information to be used to make an objective decision on the project?

(c) Does the project involve more than one country? If not, of what subregional importance is it?

(d) What relationship is there between the subregional project and corresponding national projects/programmes? In other words, are these projects mutually supportive and what order of priority has been accorded them?

(e) Is the project part of a coherent subregional programme or is it simply the result of a circumstantial initiative?

(f) What are the subregional human and material resources planned for the implementation of the project and what efforts have been made to mobilize national and subregional resources?

(g) Has an executing agency or national enterprise been identified for the implementation of the project?

(h) Have enough resources been provided to cover the cost of execution of the project?

(i) Have enough arrangements been made to secure an effective coordination once the investments outlay have been obtained?

(j) Has consideration been taken of the long-term manpower requirements of the project?

(k) Can the project be extended in order to increase its subregional impact?

(b) Project formulation and approval procedure

68. Project formulation procedures are based on a uniform presentation indicating the objectives, the description corresponding to the criteria given above and the execution modalities. Such a formulation may be made either by a member State, a sectoral coordination unit or both.

69. The approval of the project is based on a procedure comprising the following stages:

(a) Presentation to the sectoral coordination unit;

(b) Evaluation by the coordination unit;

(c) Distribution to member States;

(d) Presentation to the sectoral experts; and

(e) Consideration and approval, first by the sectoral Ministers and then by the Council of Ministers.

70. Also planned are procedures for maintaining contacts, transacting business and monitoring the project's execution.

(c) Conclusions

71. A review of the approach adopted by this organization for the formulation, approval, execution and monitoring of projects shows it to be both a global and wise approach. In fact, it strives at each moment to reconcile national interest with subregional interests and to ensure an effective coordination between the authorities at both levels. It also gives particular attention to all aspects of project execution, namely financing, human resources, business transaction, monitoring and evaluation. This no doubt explains the relative success of this institution when compared with many African integration organizations.

B. Programme-by-programme approach

72. This approach is based on the definition of a minimum programme which, when fully carried out, will serve as the launching pad for all other development and integration actions.

(a) Development objectives

73. One of the subregional integration organizations which support this approach has defined a global development strategy which is outlined below:

(a) Reconciliation of the rate of development with the true ability of States;

(b) Reduction of the vulnerability of national economies vis-à-vis the outside world and search for self-reliant development through an adequate redirection and transformation of socio-economic activities and structures;

(c) Popular participation in the taking of decisions concerning development of the peoples environment, as well as in human resources development and promotion actions;

(d) Strengthening of food self-sufficiency and security strategies;

(e) Self-reliant development with priority to agriculture;

(f) Consolidation of development achievements and re-establishment of productive capacities;

(g) Selection and channelling of investments to productive sectors and development of local resources;

(h) Planning of an integrated development; and

(j) Involving private capital in the development effort.

74. On the basis of this global strategy, specific objectives and strategies are defined in each sector for rural development, industry, infrastructure and human resources.

(b) Minimum programme

75. Within this strategy, the minimum programme has only one objective, namely collective food self-sufficiency, which is based on two facts: provision of production inputs and minimum production activities.

(i) Provision of production inputs

76. For plant production, it is planned to encourage national grain, market gardening and fodder seeds. Maximum use will be made of existing capacities in the provision of fertilizers and pesticides before plans are made to establish new production units.

77. For animal production, it is planned to produce sires for the zebu, borgou, n'dama, the ovine/caprine and the porcine races through specialization by existing national centres. National vaccine production centres should also be made to specialize.

(ii) Production activities

78. The production activities are outlined below:

(a) Plant production:

(i) rehabilitation of rice growing areas in all the countries;

(ii) support to production of other cereals for regular supply of selected seeds and other agricultural inputs to producers;

(iii) establishment of national and regional security stocks and regulation of prices;

(iv) reforestation aimed at checking desertification;

(b) Animal production:

(i) modernization of national abattoirs;

(ii) setting up of national cold storage facilities;

(iii) establishment of a national sea-fishing company;

(c) Consolidation of achievements:

(i) rehabilitation of the textile sectors at the subregional level, with specialization in specific types of products;

(ii) rehabilitation of the agricultural machinery sector, with the possibility of assembling certain equipment;

(iii) streamlining of the leather and skins sectors with local development of products of the subregion;

(iv) promotion of manufacture and use of manually driven pumps produced in the subregion.

C. Follow-up measures

79. The follow-up measures are aimed at securing the success of the programme and at establishing a coherent physical area in addition to the existing monetary area; it is based, inter alia, on:

(a) A coordinated programming of communication infrastructure and or simplification of transit procedures among countries of the subregion;

(b) Drawing up of a subregional investment code;

(c) Harmonization of agricultural policies, especially with regard to prices of production inputs and producer prices;

(d) Sensitization of the people to the subregional integration programme;

(e) Inclusion of subregional integration strategies and projects in national plans;

(f) Concomitant preparation of annual budgets and adoption of the same financial year; and

(g) Adoption of the same period for national plans.

(iii) Programme execution structures

80. The responsibility for programme implementation is divided into two: national and subregional.

(a) National coordinating committees

81. A national coordinating committee is chaired by the Minister of Planning and comprises Directors-General of the Ministries of Planning, Agriculture and Livestock, Industry, Public Works, as well as high officials of the Ministry of Finance and the Ministry responsible for State corporations.

81. The functions assigned the national coordinating committees in the execution of the minimum programme are to:

(a) Centralize technical and economic data, particularly of project feasibility and execution study, indispensable for the compilation of various information;

(b) Contribute actively to the search for financing by effectively participating in the preparatory work and in the round-table of donors;

(c) Sensitize national and foreign economic operators to participate more actively in the implementation of the programme;

(d) Monitor technical and financial execution of the programme and write periodical reports for donors and governments;

(e) Manage the programme through information exchanges among the coordinating committees.

(b) The subregional coordination structure

83. The subregional structure is mainly responsible for the successful implementation of the programme. It has a dual role: technical and financial.

84. Technically, it will assist in the preparation of feasibility studies and in the technical compilation of reliable data. It is also responsible for the technical supervision of projects.

85. As for the finances, the subregional structure helps in the mobilization of external resources, the carrying out of studies and the financing of projects.

(iv) Conclusions

86. The originality of the approach adopted lies in the fact that it favours the "programme" aspect over the "project" aspect. It defines a "prototype programme" in which all projects will be involved through certain conditions.

87. Project instruction is shared between national coordinating committees and the subregional body responsible for the overall coordination.

88. The minimum programme has only one aim: food self-sufficiency on which all the actions to be undertaken in the related sectors are based.

89. This approach facilitates planning and implementation of such common policies as the establishment of a common grain area, a livestock and meat community and even the defence of a common tariff.

90. In addition to this, the financing of a project does not depend exclusively on the outside world since the subregional coordination structure is the centre-piece of project preparation and implementation. It is also a major asset for resource mobilization.

91. Finally, it should be noted that this programme was launched only recently, such that it is impossible to evaluate the results. But even so, the strong appeal of the approach is beyond any doubt.

III. SELECTION OF INTER-SUBREGIONAL PROJECTS

92. From the analysis of the regional and subregional experiences, it is possible to define a typical structure for the selection of projects; and the component elements of such a structure are:

(a) A general reference framework,

(b) Priority cooperation areas;

(c) Genuine selection criteria;

(d) Project formulation and approval procedures; and

(e) Actors involved at each level of the process.

1. Reference framework

93. In the current context, the establishment of the African Economic Community is the true reference framework. The Treaty establishing this Community, which was prepared two years ago, was signed in June 1991 in Abuja, Nigeria.

94. The objectives of the treaty as contained in article 4 of the Treaty is summarized as follows:

(a) To promote the economic, social and cultural development as well as the integration of African economies;

(b) To establish at the continental level, a framework for the development, mobilization and utilization of human and material resources aimed at a self-reliant development;

(c) To promote cooperation and development with a view to enhancing the living standards of African peoples, to promote and maintain economic stability, to establish close and peaceful relations among member States and to contribute to the progress, development and economic integration of the continent;

(d) To coordinate and harmonize policies of existing and future economic communities with a view to a gradual establishment of the Community.

95. It is planned to establish the Community in six stages over a period of 34 years, and involving the existing economic communities at each stage.

96. Thus, the first phase is for strengthening the institutional framework of the existing communities.

97. The second stage is for strengthening regional and subregional sectoral integration; and coordinating and harmonizing activities of the existing economic communities.

98. The third stage is for setting up a customs union within each subregional community.

99. A permanent dialectic thus develops between the subregional communities and the African Economic Community being established. By strengthening one another, the subregional communities also strengthen the foundations and pillars of the continental Community. This logic is based on the maintenance of vertical integration relations between the existing communities and the African Economic Community as well as on the maintenance of mutually strengthening relations among themselves by rationalizing and harmonizing their activities.

(a) Vertical integration

100. The vertical integration of the existing subregional communities with the African Economic Community can be done, inter alia, through the seven specialized technical committees set up within the African Economic Community and similar existing or planned structures within the subregional communities.

101. The seven specialized technical committees will be responsible for:

(a) Rural economic and agricultural matters;

(b) Monetary and financial matters;

(c) Trade customs and immigration;

(d) Industry, science and technology, energy, natural resources and the environment;

(e) Transport, communications and tourism;

(f) Health, works and social affairs;

(g) Education, culture and human resources.

102. The technical committees are responsible for preparing, each one in its field of operation, Community projects and programmes, monitor their execution and secure coordination with subregional communities.

(b) Horizontal integration

103. Here, emphasis is laid on those aspects of coordination, harmonization and execution that are common to certain projects and programmes between sister communities, whereas within each community efforts will be made to rationalize the activities of the sectoral and technical IGOs which co-exist in it.

104. The technical structures of the subregional communities will therefore be requested to act in both directions and will certainly be required to re-adapt themselves in certain cases.

2. Areas of cooperation

105. The aim of the subregional projects is, without doubt, to strengthen the existing economic communities, thus contributing to the consolidation of the African Economic Community.

106. These projects should therefore be selected among the priority programmes approved within the communities and the main African Economic Community. The programmes may be both regional and subregional and will often have national components.

107. Programmes such as the Industrial Development Decade and the Transport and Communications Decade in Africa, which are both in their second phases and whose criteria have already been briefly discussed, have already been established. Such criteria also apply to other sectors, if not entirely, at least partly.

108. Among the other major sectors involving inter-subregional and subregional projects are the following:

(a) Development of river basins;

(b) Development and protection of marine resources;

(c) Interconnection of electricity networks;

(d) Coastal shipping;

(e) Development of primary industries, particularly those requiring heavy investments, complex technology, skilled manpower - in short, all those requirements that are beyond the capacity of a single country and even several countries put together. These are, among others:

(i) establishment of primary methodological and mechanical industries, including: electrical and electronics industries; chemical and petro-chemical industries; forest resources industries; bio-technology industries;

(ii) other areas concerning the environment and which cannot be efficiently dealt with on a purely national basis, such as pollution, desertification or deforestation.

3. Criteria for selecting inter-subregional projects

109. On the basis of the framework and the priority areas mentioned above and in light of the earlier-mentioned criteria used for selection of regional and subregional projects, it is possible to propose normatively and non-exhaustively some criteria for selection of inter-subregional projects. The latter should:

(a) Involve at least two subregional communities: As stated earlier on, the subregions are legal entities in which certain activities take place as ruled. For example, subregional projects which are the result of discussions among members of the same subregional entity. But, an inter-subregional project indeed sets in motion mechanisms which go beyond or give an added dimension to those already in existence;

(b) Help achieve the objectives of these communities and the African Economic Community: This takes place when an inter-subregional project emanates from a public or private initiative within the context of well-defined objectives;

(c) Help to strengthen these communities and the African Economic Community: Implementing projects in accordance with the set objectives results in the mutual strengthening of these communities; for example, the free movement of persons and goods helps to promote trade and cultural exchanges;

(d) Encourage programme rationalization and harmonization in order to promote horizontal and vertical integration: While it is true that communities have similar programmes in the major areas of integration, namely trade liberalization, food security, industrial development, transport and communications and human resources development, when carrying out these programmes needs and inadequacies arise which require foreign assistance. For example, an interconnection within a subregion may open possibilities for interconnection with the neighbouring subregion and, from subregion to subregion, the entire continent may become interconnected;

(e) Promote development of the major priority sectors: As has been stated above, the major priority sectors are the same for all the communities. Joint execution of projects by two subregions therefore makes for harmonization, rationalization and economy of scale. For example, the studies carried out separately on coastal trade in Central Africa and West Africa has shown the need for harmonization. Pooling of resources which result from this harmonization will make it easier to execute a project.

110. Drawing up a normative criteria alone is not enough to guarantee the success of projects; rather, a number of follow-up measures should be taken in addition.

4. Follow-up measures

111. The follow-up measures mean related conditions that will help the project to succeed. In this regard:

(a) The formulation of projects involving the African Economic Community and the existing subregional communities should be based on a framework which could be prepared under the auspices of the secretariat of the African Economic Community with the help of the other communities;

(b) Project formulation and presentation should be sanctioned by the secretariats of the communities concerned;

(c) The project should first obtain the approval of the decision-making authorities of each community (the summit and the Council of Ministers) in order to secure the effective participation of member States in the various phases of implementation;

(d) An executing agency should first be identified and/or there should be agreement on the sharing of responsibilities among the communities concerned the IGOs and member States;

(e) Joint efforts should be made to negotiate the financing of the project studies and investments alike;

(f) National public and private promoters should, as much as possible, be involved in the project, especially during the investment phase.

5. Some examples

112. To illustrate the general principles mentioned above, it may be possible to encourage cooperation agreements among countries of one or several subregions within the context of the industrial development projects. Such agreements may cover a wide range of products and take different forms, such as joint-venture and subcontracting. Examples of these would include the following:

(a) Provision of raw materials, intermediate products and energy. The Edea plant in Cameroon manufactures shaped utensils and packing cases from aluminium imported from Guinea. Also, in the context of the Industrial Development Decade for Africa, ZISCOSTEEL of Zimbabwe should improve and diversify its production in order to supply such intermediate products as iron sponges and steel ingots to a number of plants which manufacture finished products, such as the Maluku plant in Zaire;

(b) Planning to obtain a minority share in the capital and management of technologically and managerial complex enterprises as part of the process of establishing multinational enterprises;

(c) Awarding of subcontracts for manufacture of spare parts for vehicle assembly in Nigeria, Kenya and elsewhere;

(d) Pooling of resources for joint implementation of training, research and development programmes. In this context, such regional and subregional training and research institutions as ARCEDEM, ARCT and RECTAS should play a major role;

(e) Increased use of existing capacities by extending the enterprise market. The GECAMINES Company in Zaire is known to have operated for a long time on a self-sufficiency policy such that its real capacities are underutilized. Agreements concluded with some neighbouring countries for the supply of finished and semi-finished goods may, by merely extending the markets, help the enterprise to make full use of its capacities.

113. Abundant opportunities exist for cooperation, but are relatively unexploited. This is due to the predominance of purely national concerns over others, and also due to extrovert cooperation attitudes which

favour North-South cooperation to the detriment of South-South cooperation. There is a need for a change of attitude which should be stimulated by regional, subregional, sectoral and multisectoral organizations.

6. Conclusions and recommendations

114. This document has, after reviewing some experiences, tried to establish a framework within which inter-subregional projects should come.

115. There is no doubt that much work has yet to be done, particularly in the setting-up of the institutions of the African Economic Community.

116. This framework should therefore be considered efficiently, and should be more explicit given the evolution within the intergovernmental and other organizations assist in strengthening the African Economic Community.

117. The success of inter-subregional projects will, no doubt, depend on the first choices to be made from among the priority areas, already known, to form the cooperation programmes between the African Economic Community and each of the existing communities as well as within these communities themselves.

LIST OF DOCUMENTS CONSULTED

1. ECA, Global evaluation report of the United Nations Transport and Communications Decade in Africa, 1978-1988 (E/ECA/TCD/55).

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5. OAU, Treaty establishing the African Economic Community, Abuja, June 1991.

6. CEPGL, Plan quinquennal de développement économique et social de la CEPGL, 1990-1991.

7. Projet d'assistance multisectorielle à la CEDEAO (RAF/85/047), CEEAC (RAF/88/049) et UDEAC (RAF/89/061).

ACCRONYMS USED

MBA	Niger Basin Authority
ADB	African Development Bank
BOAD	West African Development Bank
LCBC	Lake Chad Basin Commission
ECA	Economic Commission for Africa
CEAO	Economic Community of West Africa
ECOWAS	Economic Community of West African States
CEPGL	Economic Community of the Great Lakes Countries
IDDA	Industrial Development Decade for Africa
IGADD	Intergovernmental Authority on Drought and Development
MRU	Mano River Union
IGO	Intergovernmental organizations
OMVS	Organization for the Development of the Senegal River
OAU	Organization of African Unity
SADCC	Southern Africa Development Coordination Conference
UDEAC	Central African Customs and Economic Union
UNTACDA	United Nations Transport and Communications Decade in Africa